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May 8, 2001

Ref: 3287-20322

Honorable Philip N. Asprodites Commissioner of Conservation Post Office Box 94275 Baton Rouge, LA 70804-4275

Re:

Hearing Application

Upper Marg 7 Sand, Reservoir A

PERRY POINT FIELD

Acadia and Lafayette Parishes, Louisiana Applicant: Prize Energy Corporation

Dear Mr. Commissioner:

In accordance with the Rules of Procedure for Conducting Hearings Before the Commissioner of Conservation of the State of Louisiana, application is hereby made on behalf of **Prize Energy Corporation** (pre-application formerly filed by The Leger Company) for the calling of a public hearing, after legal notice, to consider evidence relative to the issuance of an order pertaining to the following matters relating to the Upper Marg 7 Sand, Reservoir A, Perry Point Field, Acadia and Lafayette Parishes, Louisiana.

- To create a single drilling and production unit of approximately 150 acres for the Upper Marg 7 Sand, Reservoir A, designated as the U Marg 7 RA SUA, Perry Point Field, Acadia and Lafayette Parishes, Louisiana, all as shown more particularly on the attached plat;
- To establish rules and regulations governing the exploration for and production of oil and gas from the said unit;
- 3. To force pool and integrate all separately owned tracts, mineral leases and other property interests within the unit so created, with each tract sharing in unit production on a surface acreage basis of participation;
- To designate a unit operator and a unit well for the proposed unit;
- 5. To provide that the Commissioner of Conservation may reclassify the reservoir by supplemental order, without the necessity of a public hearing, should the producing characteristics of the reservoir change and evidence to justify reclassification is submitted to and accepted by the Commissioner of Conservation.
- 6. To consider such other matters relating to the subject reservoir as may be appropriate and justified by the evidence presented at the public hearing.

The Upper Marg 7 Sand, Reservoir A in Perry Point Field, Acadia and Lafayette Parishes, Louisiana is hereby defined as that oil and gas bearing sand found between

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the depths of 11,158 feet and 11,182 feet in the Prize Operating Company-Plattsmier Hulin No. 1 Well, located in Section 21, Township 10 South, Range 2 East, Acadia and Lafayette Parishes, Louisiana.

In compliance with the Rules of Procedure for Conducting Hearings Before the Commissioner of Conservation of the State of Louisiana, a pre-application conference was held in Lafayette, Louisiana on April 11, 2001. Attached hereto and made a part hereof is a list of the names and addresses of the parties who were in attendance at that conference. The rights of the parties were reserved.

At the conference, Mr. Joseph M. Battle, Jr., who had filed the pre-application notice, presented a plan for Clyde Leger. Two counterplans, one by Mr. W. H. Robbins on behalf of the Floyd Interest and one by Mr. David Sturlese on behalf of the Hulin Interest were presented. Subsequently, there was a compromise effected and a revised plat is attached. Mr. W. H. Robbins on behalf of the M. E. Floyd Interests, has indicated no opposition to the revised plat. It is anticipated that there will be no opposition at the public hearing on this matter. Because the plat attached is different from that mailed with the pre-application notice and was prepared after the pre-application conference, applicant offers to call an additional pre-hearing conference to discuss the revised plat if requested by any interested party.

Attached hereto and made a part hereof is a revised plat outlining the U Marg 7 RA SUA, Perry Point Field, Acadia and Lafayette Parishes, Louisiana, and a list of the names and addresses of the interested owners, represented parties and interested parties to whom this notice is being sent. It is hereby certified that a reasonable effort was made to ascertain the names and addresses of all interested owners, represented parties and interested parties.

Upon receipt of the legal notice in the captioned matter, the notice will be posted, published and mailed in accordance with Rule 7 of the Rules of Procedure.

Any pertinent data relating to the proposed unit can be obtained, AT THE COST OF THE REQUESTING PARTY, from Mr. Frank W. Harrison, Jr., P. O. Box 51943, Lafayette, La, 70505 (318) 232-4031.

Finally, there is enclosed herewith our check on behalf of the applicant in the amount of \$700.00, made payable to the Office of Conservation, representing the required hearing application fee.

Very truly yours,

BO Diplanted WBB. J. Duplantis

BJD/ht

Attachments

Mr. Richard D. Hudson District Manager Office of Conservation

> All Interested Owners, Represented Parties and Interested Parties and parties on attendance list

